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ABSTRACT

Sharing a local automated library system will generally reduce the costs of automation for each participating library and will facilitate the sharing of resources. To set up a consortium, libraries must first identify and agree on governance issues and methods for dealing with these issues. Issues range from ownership, management, and location of the computer system to funding and staff training. Governance issues should revolve around policy issues. Once the policy issues have been addressed, they can be implemented by a consortium manager. The job of the manager is to provide services following policies established by the consortium policy board. There are a number of ways that consortium members can pay for the purchase of a system and such operating costs as hardware and software maintenance, telecommunication charges, supplies, staff, and staff benefits. Whatever allocation method is chosen, it should reflect all of the costs of the consortium. (Allocation formulas are included.) Since any computer system has a useful life of 3-5 years, the member libraries should plan for system replacement. Because it impacts telecommunication costs, the physical location of the system needs to be carefully considered. Determining how the database will be built is another important issue. Regardless of the automated system being used, funding a trainer to provide on-going training for changes in software, the use of new software, and preparing new library staff members is key to the success of the program. (KRN)

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Successfully Automating Library Consortia

Procedures to Facilitate Governance, Management and Cooperation

DATA RESEARCH

AUTOMATION GUIDE SERIES

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NUMBER THREE

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Introduction

Sharing a local automated library system will generally reduce the costs of automation for each participating library and will facilitate the sharing of resources. Typically an agreement for sharing of the automated system is drafted and the consortium is created.

This Guide only addresses those issues that are related to the purchase and operation of an automated library system. Issues associated with other types of library consortia are not addressed in this Guide.

Governance

Once a consortium has been proposed, governance issues must be identified and methods for dealing with these issues agreed upon by all participating libraries. It is interesting to note that when the "articles of incorporation" of various consortia are compared, few similarities exist among them.

In general, the governance issues should revolve around policy issues. Once the policy issues have been addressed, then these policies can be implemented by a manager for the consortium.

Among the issues that can and should be addressed during the formation of a consortium are:

- Term of Agreement
- Ownership of the Computer System
- Location of the Computer System
- Management of the Computer System
- Staffing for the Computer System
- Hours of Service
- Data Input Standards for Catalog, Patron and Item Records
- Voting and Representation
- Adding Other Libraries
- Duties and Responsibilities of Consortium Management
- Duties and Responsibilities of Member Libraries
- Ownership of Data
- Hardware and Software Maintenance
- Corrective and Remedial Measures
- Training Activities
- Communication Network
- Cost Allocation Formula
- System Replacement Fund
- Accounting and Administrative Services
- Withdrawing from the Consortium (lead time required to give notice)
- Determining the Value of the System (evaluating depreciation)

The agreements reached about these and other related issues should be set forth in a formal written document that is then signed by the participating member libraries.

The only secret to making a consortium successful is getting a commitment from the Director of each participating library that it will work. All of the other issues can be negotiated as the consortium evolves.

The representatives for each library, typically proportioned on a one library–one vote basis, must always examine an issue from the perspective of their particular library as well as what is in the best interests of the consortium. These representatives set policy for the consortium.

Management

Once policy has been determined, then a manager for the consortium needs to be hired. The job for this manager is to provide services following the policies established by the consortium policy board (committee, users group, etc.).

To be truly responsive to all consortium members, the consortium manager should NOT be an employee of a member library but rather an employee of the consortium.

The consortium manager is responsible for working with the vendor(s) should any support issues arise. In a consortium, most vendors find it advantageous to hear "one voice" rather than several voices when a problem is encountered. It is in the best interests of both the consortium and the vendor to establish a single point of contact in order to disseminate information quickly and efficiently between the vendor and the members of the consortium.

The consortium manager supervises the computer operator(s) and the trainer, if any.

One of the most important tasks for the consortium manager is to communicate on a regular basis with all of the libraries about current issues, e.g., next scheduled preventive maintenance for the computer system, telecommunication issues, etc.

Funding

While there have been a number of different ways in which consortium member libraries have paid for the purchase of the system, one popular method is for each library to pay for:

- A share of the central site costs, i.e., computer, disk drives, software, telecommunications equipment, etc.
- All of the costs for the equipment located in its library.

Consortium member libraries will need to pay for a share of the operating costs of the consortium, i.e., hardware and software maintenance, telecommunication charges, supplies, staff, staff fringe benefits, etc.

Allocation Formulas

Probably each automated library system consortium in existence has developed a unique cost allocation formula. This is only appropriate since the allocation formula should reflect the needs of the member libraries.

The allocation formula should reflect all of the costs to a consortium. Among the factors that have been used by a consortium are:

Factor	Impact
• Number of titles	Disk space
• Number of volumes	Disk space
• Number of patrons	Disk space
• Annual circulation	CPU
• OPAC inquiries	CPU
• Number of terminals	CPU
• Number of ports	CPU
• Number of orders	Disk space
• Number of holds	Disk space
• Number of serial checkins	Disk space
• Number of inter-system loans	Disk space

Note: Not all of the factors will or should be used by a consortium. The objective is to use the factors that are appropriate for a particular consortium.

The data for each member library is gathered and a total for a factor is determined. Then a percent of "X" factor for each library can be determined. Consider the following example:

Library	Titles	Percent of Total Titles
A	100,000	16%
B	240,000	35
C	90,000	13
D	190,000	28
E	60,000	09
Totals	680,000 (individual percentages do not add to 100 due to roundoff)	100%

Once the particular factors have been agreed to, one equitable method is to calculate an average percentage for each member library since some factors have an impact on the computer system itself (need for more powerful computer "horsepower") while other factors will have an impact on the required disk space. For example, consider:

	% Terminals	% Titles	% Volumes	% Circulation	Average Percent
Library A	16	15	.15	30	18
Library B	31	35	30	32	30
Library C	12	13	21	17	15
Library D	25	28	28	15	28
Library E	16	9	7	6	9

The Average Percent for each library is then used to determine the fiscal contribution for each member library once the budget for the consortium has been approved. If the consortium's budget is $250,000 for the year, then Library A's contribution is $45,000.

Some consortia have decided to give additional weight to one or more factors rather than giving equal weight to all of the factors that are used in the allocation formula.

Typically the data used in the allocation formula is updated on a yearly basis.

System Replacement Fund

Since any computer system has a useful life of from 3–5 years (the U.S. Internal Revenue Service allows corporations to depreciate their computers over a 3–year period), the member libraries should be planning for system replacement. And since finding the necessary capital funds for purchasing a large computer system can be difficult and pose uncertainties, it is recommended that libraries should set aside moneys on a yearly basis for system replacement. Some libraries contribute 1/7 the of their original system purchase costs into a System Replacement Fund with the interest accruing to the System Replacement Fund. Prior to actual system replacement, some of the moneys can be used to purchase system upgrades and additional software.

Telecom–munications

One of the important issues to determine early is the physical location for the computer system.

Typically, a popular decision is to locate the computer as close to the library with the greatest number of terminals in order to minimize the telecom–munication costs. However, if the total telecommunication costs are included in the consortium's budget then the net effect is that from a fiscal point of view, the computer system is actually located equidistant from all of the libraries.

Without such an approach, it is almost guaranteed that dissention will occur among libraries once they realize the economic advantages of hosting the computer system.

"The Database"

Determining how the database will be built (records merged) is another important issue. If each member of the consortium has MARC records to contribute, the consortium must establish a hierarchy for processing of the tapes. The library with the most and highest quality records typically will have its records processed first. These records then become the master records.

The records from the other libraries are processed and merged into the master files hierarchically. Specified fields from duplicate records can be added to the master record. Duplicate records are not loaded in their entirety. The issue of establishing a hierarchy, based on the quality of records, and merging duplicates into one master record, is frequently volatile. The consortium manager needs to exert strong leadership and realistic expectations for each member library.

Training

Key to the success of a consortium, regardless of the automated system being used, is the commitment on the part of the consortium member libraries to fund a trainer. A central training room, complete with terminals, audio-visual equipment and manuals, provides a place to provide ongoing training due to:

- changes in the existing software (new releases)
- the use of new software modules
- training of member library staff members due to turnover (or the need for a refresher course).

Summary

Once the important issues of governing and managing a consortium have been addressed, the actual day-to-day operations of a shared automated library system consortium become routine. Policies need to be flexible enough to accommodate the evolution of the consortium.

The benefits of a consortium are numerous provided the policy issues are clearly addressed early in the process. If you are a member of an existing consortium, it is not too late to clarify these important policy issues.

The Guide Series is designed to provide concise, practical and relevant information about a variety of topics related to automated library systems. Topics to be addressed in this series include:

1 Opening Up "Open Systems" Guide
2 Data Conversion and Indexing Guide
3 Successfully Automating Library Consortia
4 Guide to Selecting an Automated Library System
5 Library Automation Benefits Guide
6 Retrospective Conversion Guide
7 Barcoding Guide
8 Computer Site Preparation Guide
9 Power Conditioning Guide
10 Installation Guide
11 Telecommunications Guide
12 Guide to Local Area Networks
13 Guide to Managing an Automated Library System
14 Mobile Library Automation Guide
15 System Migration Guide

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